

Memorandum

TO: Medicare and/or Medicaid Participating Nursing Facilities

CC: Judith Becherer, Office of Medicaid Policy and Planning

FROM: Carla Neary, Health Care Data Services Manager

DATE: April 20, 2000

SUBJ: Clarification of MDS assessment transmission requirements

In 1998 and just recently in January of 2000, a memo was sent by ISDH to all nursing facility providers in Indiana regarding the issue of transmitting MDS assessments on residents in non-certified beds/units. An issue was raised concerning a conflict between a federal regulation of HCFA and a state rule of the Medicaid Case Mix reimbursement system. A clarification was given during the first two weeks of March 2000 at the statewide Correction Policy training sessions. This memo provides written clarification on this issue and addresses the various avenues facilities must take to meet the completion and transmission requirements, based on their Indiana State licensure and federal certification status.

There are two types of nursing facilities that are regulated by ISDH and state licensure rules. One set of rules is for Comprehensive Health Facilities and the other is for Residential. MDS requirements for completion and transmission of assessments pertains to facilities licensed under the Comprehensive Health Facility state rules only. Currently, there are no requirements to complete the MDS, version 2.0, for facilities licensed under the Residential state rules. The following information pertains to facilities licensed under the Comprehensive Health Facility state rules.

In addition to determining if your facility is licensed under the Comprehensive Health Facility state rules or Residential state rules, each facility must also determine their federal certification status. A facility can be one of the following three: Medicaid certified, Medicare-only certified, or non-certified. A Medicaid certified comprehensive nursing facility is regulated by the Comprehensive Health Facility state rules and may accept Medicaid payment for residents who reside in all/or a portion of their comprehensive beds. If your facility considers their status as "dually certified", the facility is considered Medicaid certified for the purposes of this memo and explanation. A Medicare-only certified comprehensive nursing facility is regulated by the Comprehensive Health Facility state rules and may accept Medicare payment for residents who reside in all/or a portion of their comprehensive beds. A non-certified comprehensive nursing facility is regulated by the Comprehensive Health Facility state rules and may not accept Medicare and/or Medicaid payment for residents who reside in any of their comprehensive beds.

If the facility is a Medicaid certified comprehensive nursing facility the following completion and submission requirements are to be met.

1. MDS assessments must be completed on every resident in the comprehensive nursing facility.
2. MDS assessments must be transmitted to the State on every resident in the comprehensive nursing facility whose costs are reported on the Medicaid Cost Report form as nursing facility costs.

For those facilities that ceased transmitting assessments as a result of the previous directive, they will have until **May 15, 2000** to transmit those missing assessments to the State to avoid a negative impact on their Case Mix reimbursement for the first quarter of 2000.

If the facility is a Medicare-only certified comprehensive nursing facility, the following completion and submission requirements are to be met.

1. MDS assessments must be completed on every resident in the comprehensive nursing facility.
2. MDS assessments must be transmitted to the State on every resident that resides in a Medicare certified comprehensive bed/unit, regardless of payer source.
3. MDS assessments must not be transmitted to the State on residents in non-certified comprehensive beds/units.

If the facility is a non-certified comprehensive nursing facility, the following completion and submission requirements are to be met.

1. MDS assessments must be completed on every resident in the comprehensive nursing facility.
2. MDS assessments must not be transmitted to the State on residents in the non-certified comprehensive beds/units. This translates to the fact that the facility does not transmit any assessments.

Please remember that the above information is not based on the actual payment or reimbursement used by a resident for their stay in a nursing facility. These requirements are based on the kind of reimbursement a facility may collect for a resident in a bed/unit. Please call the MDS Clinical Help Desk at 317-233-7537 if you have questions.